

COOS BAY-NORTH BEND WATER BOARD
P O BOX 539 – 2305 Ocean Boulevard
Coos Bay, Oregon 97420

Minutes
Regular Board Meeting

February 6, 2020
7:00 a.m.

Coos Bay-North Bend Water Board met in open session in the Board Room at the above address, date, and time with Chair Bob Dillard presiding. Other Board members present: Melissa Cribbins, Greg Solarz and Dr. Charles Sharps. Board members absent: None. Water Board staff present: Ivan D. Thomas, General Manager; Jeff Howes, Finance Director; Rick Abbott, Distribution Supervisor; Matt Whitty, Engineering Manager; Bryan Tichota, Customer Relations Supervisor; Jeff Page, Operations Manager; and John McKeivitt, Water Treatment Supervisor. Board Legal Counsel Jim Coffey was absent. Media present: None. Chair Dillard opened the meeting at 7:00 a.m. and lead the Board and assembly in the Pledge of Allegiance.

Chair Dillard asked if there were any corrections or additions to the January 23, 2020 Regular Board meeting minutes. Dr. Sharps moved the minutes be approved as written. The motion was seconded by Mr. Solarz and passed unanimously.

Chair Dillard asked if there were any public comments, and there were none.

Regarding the SCADA System upgrades and maintenance for Pony Creek Water Treatment Plant, Operations Manager Jeff Page stated staff received a proposal from S&B, Inc. to provide these services. S&B Inc. is responsible for providing design and integration services for Water Board SCADA and telemetry projects. The company has worked successfully on various projects with our organization over the years.

The SCADA system functions as the backbone of the water treatment plant. It is a critical component for the monitoring and adjustment of all aspects of the treatment process. Because the SCADA system and water treatment processes are closely interlaced, a failure of SCADA would cause water production to cease.

S & B's proposal includes the following:

- Replacement of the existing SCADA server and client computers
- New network storage
- A new modem
- Migration of application software
- Security upgrades for cyber-attacks

- Upgrades of telemetry at five remote sites

With the exception of the remote telemetry upgrades, each of the proposed items listed are recommended for approval. The existing computers are at risk of failure due to their age and use an operating system that will no longer be supported by its developer, the lifecycle of the existing network storage has expired, a new modem is needed for compatibility with Windows 10, migration of the application software is necessary for use with Windows 10, our existing firewall is obsolete and will not protect the SCADA system from a cyber-attack. This project is included in the current fiscal year's budget.

Staff feels the recommended telemetry upgrades are not a good use of the utility's funds at this time due to the probability that these functions will be migrated to a more cost-effective system in the future.

After a brief discussion, motion was made by Dr. Sharps authorizing the General Manager to accept the proposal from S & B, Inc. allowing them to provide services to replace the SCADA server and client computers, install new network storage, install a new modem, provide needed software migration, and upgrade the firewall protection in the amount of \$34,330. The motion was seconded by Mr. Solarz and passed unanimously.

Distribution Specialist Jason Mills presented staff's request for pump replacements at Flanagan and Oregon Pump Stations. For the Flanagan Pump Station staff proposes replacement of the remaining pump and motor for pump one, as well as replacing some of the interior piping, gate valves and check valves. This site is located on Flanagan Road in the Bunker Hill area.

This pump is from the 1950s, has much corrosion and is past its prime in terms of efficiency and reliability. The average pumping system has a life span of 15 to 20 years. This pump station serves approximately 500 houses in the Bunker Hill and Millington areas. Pump two, of the same make and model, was replaced in 2016.

Staff analyzed pumping solutions from three pump manufacturers (Gould's, Cornell, and Grundfos) and have selected a Grundfos Paco VL model pump because it has the best efficiency (74.5%) and fit for the system characteristics at Flanagan Pump Station. Staff recommends awarding purchase of the pump from PumpTech, Inc. in the amount of \$3,856.

Staff solicited quotes and received the following:

- PumpTech \$3,856
- Budge McHugh \$3,983
- H.D. Fowler \$3,959
- Ferguson \$17,850
- Iconix No bid
- Consolidated Supply No bid

The cost of labor for pump installation and piping modifications is \$4,900 to be performed by Water Board staff. An additional \$2,500 is estimated for the cost of the piping and appurtenances. Electrician labor for the pump install is estimated at \$250. The total cost for the Flanagan Pump Station pump replacement is \$11,506.

For the Oregon Pump Station staff recommends replacement of pump one. This site is located on Oregon Avenue in the Englewood area. This pump is very old and has a considerable amount of exterior corrosion on it. It also has a worn shaft which causes excessive packing leakage. This pump station serves approximately 640 homes. Pump two, which was of the same make and model, was replaced in 2012.

Staff analyzed pumping solutions from three pump manufacturer's (Gould's, Cornell, and Grundfos) and selected the Grundfos Paco LCS pump because it has the best efficiency (82%) given the system characteristics. Staff recommends awarding purchase of the pump from PumpTech, Inc. in the amount of \$3,720.

Staff solicited quotes and received the following:

- PumpTech \$3,720
- H.D. Fowler \$3,931
- Budge McHugh \$3,964
- Ferguson quote did not meet requirement
- Iconix No bid
- Consolidated Supply No bid

The cost of labor for pump installation and piping modifications is \$3,054.24 to be performed by Water Board staff. An additional \$600 cost is estimated for piping and appurtenances. Electrician labor for the pump install is estimated at \$250. The total cost for the Oregon Pump Station pump replacement is \$7,624.24.

Mr. Dillard inquired if the proposed replacement pumps are the same brands of the pumps that were replaced in 2012 and 2016. Mr. Mills stated they are both different pumps as they have the best efficiency and fit for the system characteristics.

Dr. Sharps moved to authorize the purchase and installation of replacement pumps for the Flanagan and Oregon Pump Stations in the total amount of \$19,130.24. The motion was seconded by Ms. Cribbins and passed unanimously.

Regarding the renewal of cyber liability and data breach insurance with Coalition Insurance Solutions, Inc., Finance Director Jeff Howes stated the current coverage expires on February 20, 2020. The plan consists of a \$2,000,000 aggregate policy limit of liability. The utility's agent of record, Nasburg Huggins Insurance, is impressed with Coalition Insurance and recommends renewing the policy. The premium for the 2019-2020 timeframe was \$3,272.35. The quote for the same coverage for the 2020-2021 period is \$3,595.62, an increase of \$323.27. Funds for cyber insurance are included in the current fiscal year's operations budget.

Dr. Sharps inquired if the cyber insurance with Coalition includes the SCADA system at the Pony Creek Water Treatment Plant. Mr. Howes stated he was not sure, but would check with the agent and let the Board know.

After a brief discussion, Ms. Cribbins moved to authorize the General Manager to accept the renewal contract and enter into an agreement with Coalition Insurance Services, Inc. for data breach and cyber liability insurance in the amount of \$3,595.62. The motion was seconded by Mr. Solarz and passed unanimously.

The Board's next regular meeting was set for Thursday, February 20, at 7:00 a.m.

Updates were given as follows:

- Springbrook Update – Staff have been discussing custom features with Springbrook in the hopes to move to more standardized reports.
- Meter Test Bench Installation – The meter test bench has been delivered and staff will be scheduling MARS to help install and train staff.
- Tank Maintenance – Staff has been communicating with SUEZ about the Isthmus and Radar tanks and maintenance will be scheduled most likely in the spring.
- McCullough Bridge – The tribal archeologist, Stacy Scott, worked with SHPO and SHPO has decided no additional study would be necessary. Ms. Scott has been on site with the crew.
- Madrona Street Main Replacement – Appropriate forms have been submitted to the State for BOLI. Staff is waiting on submittals from the contractor for materials and will be discussing the start date for the project, most likely in March.
- 5th Avenue Main Replacement – The pipe is in the ground and has been tested and the project should be almost complete.
- 4th Street Main Replacement – The scope of this project for the City of Coos Bay is from Commercial to Elrod so the 12-inch water main is not an issue. The City will be working from Commercial to Anderson and Water Board staff has checked the 10-inch water main which is in good position and will ask the City that they protect it (between Commercial and Central on 4th Street).
- Pennsylvania Avenue Pump Replacement – Work will begin on the power upgrade next week.
- Budget Process – The Budget meetings will consist of two meetings.
- 2017 and 2019 Timber Sales – This year before the heavy rains begin, staff hired Stuntzner's forester to place plastic sheeting over the piles and those piles have been successfully burned. Staff will be contracting out for the 2019 Timber sale and will bring this back to the Board at a later date.

At 7:31 a.m. Chair Dillard directed they go into executive session for the purpose of discussing potential litigation pursuant to ORS 192.660(2)(h). They returned to open session at 8:12 a.m. There being no other business to come before the Board, Chair Dillard adjourned the meeting at 8:12 a.m.

Approved: _____, 2020

By: _____
Chair Robert Dillard

ATTEST: _____